

**STATE OF CALIFORNIA**  
**CALIFORNIA ENERGY COMMISSION**

**Business Meeting Minutes**

**of**

**April 7, 2004**

## Business Meeting Minutes of April 7, 2004

The meeting was called to order by Chairman Keese at 10:05 a.m.

The Pledge of Allegiance was led by Commissioner Boyd.

William J. Keese	Present
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present
Vacant	

*Chairman Keese announced that Commissioner B. B. Blevins was no longer with the Commission but had been named as the Chief Deputy Director of the Department of Toxic Substance Control. He also noted that the meeting of April 7, 2004 was continued to today, April 9, 2004 and the Chairman reopened the meeting and proceeded with the agenda.*

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda).
  - a. COMMISSION CO-SPONSORSHIP. Possible approval of a co-sponsorship request for which the Energy Commission might provide the use of its name, presenters, and an advertising mail-out with our regularly scheduled mailings.
    - 24<sup>th</sup> Annual Utility Forum, “Energy Efficiency and Renewables—The First Response Strategy”, May 5-7, 2004, Granlibakken Conference Center, Lake Tahoe.
  - b. U. S. DEPARTMENT OF ENERGY, LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Work Authorization MR-030 with the University of California under PIER Research Agreement 500-02-004 to increase the value of California’s electricity by improving the efficiency of air conditioning systems with exposed ductwork and to assess the impact of cool roofs on rooftop air conditioner efficiency. The total cost for this initial project is not to exceed \$346,563. (PIER funded)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the Consent Calendar. The vote was unanimous. (4-0)*

2. MODESTO ELECTRIC GENERATION STATION (MEGS; Docket No. 03-SPPE-01). Consideration of Request for Reconsideration of Commission Small Power Plant Exemption Decision for the Modesto Irrigation District's Modesto Electric Generation Station.

*Commissioner Geesman moved and Commissioner Boyd seconded granting the petition and considering the merits at the May 5, 2004 Business Meeting. The vote was unanimous. (4-0)*

3. KERN RIVER COGENERATION PROJECT (82-AFC-2C). Possible approval of a petition to allow two of the four existing cogeneration units to operate either in simple-cycle or cogeneration mode.

*Commissioner Geesman moved and Commissioner Boyd seconded of the petition to allow two of the four existing cogeneration units to operate either in simple-cycle or Cogeneration mode. The vote was unanimous. (4-0)*

4. ALAMEDA COUNTY. Possible approval of a loan to Alameda County for \$2,564,600 to install a 1,112-kilowatt photovoltaic solar system at six county facilities. This project is estimated to save about \$256,460 annually and has a simple payback of 10 years. (Local Jurisdiction Energy Assistance Loan Account funded)

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of a loan to Alameda County. The vote was unanimous. (4-0)*

5. NET SYSTEM POWER REPORT. Consideration and possible adoption of the 2003 Net System Power Report for use in the power content label required by SB 1305.

*Commissioner Geesman moved and Commissioner Boyd seconded adoption of the 2003 Net System Power Report. The vote was unanimous. (4-0)*

6. EMERGING RENEWABLES PROGRAM. Possible approval to transfer \$10,000,000 in interest earnings on funds in the Renewable Resource Trust Fund to the Emerging Renewables Program. The funds would be used to reserve and pay rebates for renewable energy systems less than 30-kilowatts in capacity.

*Commissioner Geesman moved and Commissioner Boyd seconded approval of the transfer of interest earnings on funds in the Renewable Resource Trust Fund to the Emerging Renewables Program. The vote was unanimous. (4-0)*

7. SOLAR TURBINES INCORPORATED. Possible approval of committing \$500,000 of PIER funds for a sole source contract (Contract 500-03-036) with Solar Turbines to co-fund a field demonstration of the 4.6-megawatt Mercury 50 gas turbine at a commercial distributed generation, Combined cooling, heating and power (CCHP) site in California. This novel turbine has high efficiency (38.5%) and low emissions (5 ppmv NOx) without exhaust gas cleanup. The owner/operator will be the VA hospital in San Diego and Sempra Energy Solutions will install and commission the system. (PIER funded)

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of Contract 500-03-036. The vote was unanimous. (4-0)*

8. UNIVERSITY OF CALIFORNIA, DAVIS. Possible approval of Work Authorization MR-029, not to exceed \$995,763, under the PIER Research Agreement 500-02-004 to develop and demonstrate a distributed biogas energy system utilizing organic solid wastes, (PIER funded)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Work Authorization MR-029 under PIER Research Agreement 500-02-004. The vote was unanimous. (4-0)*

9. CSUS FOUNDATION. Possible approval of Contract 200-96-010 Amendment 5, for \$2,400,000 which will add authority of \$800,000 from special funds for each fiscal year 04/05, 05/06 and 06/07 and will extend the student contract term to March 31, 2012 to equal the liquidation period of the June 2007 funds. The Department of Finance has given a blanket spending freeze exemption approval for these funds. (The contract is funded by: PIER-\$210,000, Renewables-\$390,000, ECAA-\$35,000 and Federal-\$165,000)

*Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 200-96-010 Amendment 5. The vote was unanimous. (4-0)*

10. CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION. Possible approval of Contract 200-03-008 for \$40,057.44 for the services of the Assistant Secretary for Energy Matters (pending freeze exemption approval). (ERPA funded)

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of Contract 200-03-008, contingent upon approval of a freeze exemption. The vote was unanimous. (4-0)*

11. Minutes

*Commissioner Boyd moved and Commissioner Geesman seconded approval of the minutes from the March 17, 2004 business meeting. The vote was unanimous. (4-0)*

12. Commission Committee and Oversight

*No reports were given.*

13. Legislative Director's Report

*No report was given.*

14. Chief Counsel's Report

*Chief Counsel Bill Chamberlain requested a Closed Session to discuss potential litigation.*

15. Executive Director's Report

*Executive Director Bob Therkelsen informed the Commission that he and staff met with the CPUC to discuss both the Energy Commission's and the CPUC's IEPR and Procurement procedures. They talked about the needs of both agencies and agreed to work out, in detail, how we can assist each other.*

16. Public Adviser's Report

*No report was given.*

17. Public Comment

*No comments were received.*

The meeting was adjourned at 10:30 a.m.

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BETTY A. McCANN  
Secretary to the Commission